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TO RUEHC/SECSTATE WASHDC 7947
INFO RUEHBS/USEU BRUSSELS
RUEHFR/AMEMBASSY PARIS 0607
RUEHLO/AMEMBASSY LONDON 1317
RUEHTH/AMEMBASSY ATHENS 3878
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RUEHGV/USMISSION GENEVA 0218
RUCNDT/USMISSION USUN NEW YORK 0884

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SIPDIS

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DEPT FOR OES/IHB, S/GAC, IO/EDA AND EUR/SE

E.O. 12958: N/A

TAGS: [EAID](#) [TBIO](#) [KHIV](#) [PREL](#) [EUN](#) [CY](#)

SUBJECT: CYPRUS TO SUPPORT UNITAID THROUGH GOC BUDGET

REF: STATE 84277

(U) This cable is sensitive but unclassified. Please protect accordingly.

11. (SBU) Per reftel request, Post has obtained the following information concerning Cyprus's support for the International Drug Purchase Facility (UNITAID). In May 2007, the Ministerial Council reportedly approved a proposal by the Ministry of Finance to fund Cyprus' participation in UNITAID through a direct contribution from the GOC's central budget. Towards this end, the Ministry of Finance will prepare a supplementary provision for 800,000 Euro to be included in the 2007 budget. The Ministry of Finance also plans to include a contribution to UNITAID of 800,000 Euro in the GoC's draft budgets for 2008 and 2009, after which it will reassess Cyprus's level of support for the facility.

12. (SBU) An earlier proposal to impose a tax on all airline tickets in and out of Cyprus (of around one Euro per ticket) has been abandoned because it was deemed too complicated and time-consuming to implement. In addition, this proposal would have further undermined Cyprus's price-competitiveness as a tourist destination. International travel in and out of Cyprus is conducted almost exclusively by air.

SCHLICHER